

Finance Committee Meeting
January 3, 2006
4:15 P.M.

MEMBERS PRESENT:

Bob Sampson, Chair
Dave Drobisch
Jay Dunn
Bill Oliver

MEMBERS ABSENT

Phil Hogan
Merv Jacobs
John Snyder

COUNTY PERSONNEL PRESENT:

Steve Bean, County Clerk
Judge Greanias
Randy Waks, Asst. State's Attorney
Daysa Miller, Sup. of Assessments
Jerry Andrews, Health Dept.
Don Meyer, Court Administrator
Jon Baxter, Public Defender
Amy Stockwell, Auditor
Captain Bright, Sheriff's Office
Steve Grimm, Treasurer

Also attending the meeting from the probation department were Lori Long, Lori Beery, Teena Berter, Jim Taylor, Amy Smith, Yvonne Shaw, Marletta Anderson, Mike Miller, Josh Whitney, Justin Siders, Karen Johnson, Tiffany Taliaferro, Lundee Corman, and Kim Lawson.

This meeting was called to order by Chair Sampson at the Macon County Office Building.

MINUTES

Motion made by Dave Drobisch to approve the minutes of November 29, 2005 and the closed minutes of November 29, 2005, seconded by Bill Oliver, and motion carried unanimously.

CLAIMS

Motion made by Bill Oliver to approve the claims, seconded by Jay Dunn, and motion carried unanimously.

REPORTS

Supervisor of Assessments

Daysa Miller said the county has looked into billing township assessors for work which the supervisor of assessments has done. A sheet was distributed showing what was done with 2005 assessments. The first page, part time employee, only did field work including going out and measuring property and looked at properties in the way that a township assessor would pick up new construction. Daysa said she came up with an amount per parcel based on what that particular individual did. The last sheet gives an indication on what he performed this last year in his work done out in the field measuring property.

The second sheet shows what each individual township assessor has done, and what Daysa put on was changes which were made and published, the changes of improved parcels indicating the majority of these, and changes SA reviewed which means we went out on certain parcels which we were unsure of what the township assessor had meant or the measurements were not matching up. The majority of the review, picking up parcels which township assessors went out and measured, Daysa said they worked together on getting values in etc. In changes for the SA for Hickory Point Township, those are the changes the part time person did, about 210 parcels which is how she came up with her price per parcel if the county wants to bill the townships. Daysa said the only townships which actually did no work at all is Milam Mt. Zion Townships; the only other thing she actually had to do with the quadrennial reassessment for all three townships since this was their assessment district year for Long Creek, Milam, and Mt. Zion. Daysa put in the distributed sheet if we want to bill them for the review of parcels, like a dollar a parcel. If you want them billed for general assessment review, usually she will drop by to see if the houses there have new decks, new garage or building, and take a picture. For the work they would do, this is what they would do, and then the valuation of the property as well. Daysa then asked if the county wanted to follow through with this and she can do invoices.

Chair Sampson said he recalls this policy from Chairman Wolfe a year or two ago. The idea was to target township assessors who were not doing their work, and the county had to do it for them. Chair Sampson asked in these cases if they were not doing the work or if they did not have the information to do the work. In the general assessment year, Daysa said they may not have had all the data needed to do general assessment but they had building permits, etc. to go out and do the building permits; this all township assessors could do. Daysa said Hickory Point selects which sections of the township they want to do and the 210 is the all other sections they did not look at; the SA office did do those parcels as far as building permits. Milam Mt. Zion, Daysa said there were no changes and nothing done in that area. Daysa said they are the only two townships and the only things she looks at as something the supervisor of assessments did have to do since it was not done. Chair Sampson asked if she was thinking of possibly sending invoices to Hickory Point, Long Creek, Milam & Mt. Zion; Daysa said not Long Creek since they did building permits but not the general assessment. Chair Sampson asked if we normally do the quadrennial assessments, and Daysa said it is their duty to do that but they actually probably do not have the data needed to do it

but next time they will. Dave Drobisch asked why they do not have all the information; Daysa said they may not have the property record cards for drawings etc. to go look at these properties. As the information is put in the mass appraisal software, Daysa sends them all their property record cards which have been picked up and drawings made on. Daysa said she did send Long Creek part of it in the last year but not all of it. Dave Drobisch asked Daysa why she thinks Hickory Point has such high numbers on parcels, and Daysa said it was new construction, houses and buildings, which accounts for part of the 210 number; Daysa said the local assessor did pick up permits but only in certain sections like 27 through 34 which is the older area which does not have a lot of new houses.

Daysa said he did all the work in that area except for a few which had to be reviewed and they intend to do the whole thing, or the majority, this year.

In Milam Mt. Zion, Daysa said her office did all the work. Dave Drobisch asked Daysa if she had spoken to any township assessors concerning this, and Daysa said they have been informed since it is in the written instructions they got last year and for 2006 and that Milam Mt. Zion is aware. Daysa said they know there is a possibility they will be billed. Daysa put in \$16 per parcel for new construction based on her part time person's work in the field. Jay Dunn asked actual cost with what is proposed to be the cost to each township, and Daysa said she took 210 parcels times 16 for \$535 but if you do the general assessment review, it would be \$1 per parcel on the SA quadrennial parcels if the board determines to bill them for the general assessment review. Jay Dunn said that is the one Daysa said may not have had all the information but will next year. In the next quadrennial for the township, Daysa said they should have all the data. Bill Oliver said 210 parcels times 16 is a lot more than \$535, and Daysa said 35 times 16 would be the Milam Mt. Zion one of \$535. Bill Oliver said 210 times 16 is \$3360. Chair Sampson asked Randy Waks if a resolution is needed to authorize Daysa to bill, and Randy said probably since they have not been billed in the past. Chair Sampson asked if there was a motion to bill Milam Mt. Zion and Hickory Point Township the amounts described by the supervisor of assessments, and Jay Dunn said we need to know what those amounts are. After much discussion, amounts were determined to be \$3360 for Hickory Point Township and \$560 for Milam Mt. Zion Townships. Steve Bean said for the case of Mt. Zion Milam Townships, they have a separate levy for their township assessor and the same thing is true for Hickory Point since they have money they put aside for assessing, etc. so they should have the money. Daysa said the cost, which is very low, included her part time employee's wages through November 30 and also mileage. Daysa said there are some counties which charge \$100 per parcel to go out and review. Steve Grimm asked if the amount would go back to general fund, and Daysa said there was a new statute last year which puts it back in the supervisor of assessments office. Motion to bill Hickory Point Township \$3360 and Milam Mt. Zion Township \$560 made by Bill Oliver, seconded by Jay Dunn, and motion carried unanimously. Chair Sampson said no action for general assessment is being requested at this time, and Daysa Miller confirmed.

Jay Dunn said this is the first time we have done this but we have given some warning, and he asked Daysa to look into the true cost of it including health care and pension benefits since the total cost needs to be involved in this the next time if it happens. Bill Oliver asked if it would be cheaper for them to have us do it. In the case of Mt. Zion Milam, Steve Bean said they did not have a candidate for assessor so it could be a situation where they cannot find anybody so it might be a situation where it might be cheaper to hire our part time people to come out and assess. Bill Oliver asked Daysa to check into this also.

Judge Greanias

Judge Greanias said the board has approved a budget for the probation department which is essentially the same as last year's budget, and the personnel line amount is the same. When the budget process began last summer, probation/courts were advised to leave the personnel line the same and it would be addressed later so the approved budget has no personnel increases. The court and manager of probation department has been meeting with probation employees and negotiating wage increases, and the court has approved a 3% wage increase for the 06 fiscal year and 07.

There is a 3 year contract and this is the remaining two years on the contract; there was a wage re-opener in the contract which is why the union was allowed to go back and ask us to reconsider. The 3% amount is fair and reasonable in the court's opinion and is comparable to wage increases provided for other county employees. Judge Greanias said there is no money in the budget to fund the wage increases. A plan was distributed to pay the increases without an increased cost to the general corporate fund in 06 and 07. The Macon County Justice Council made up of officeholders, the state's attorney, sheriff, court, probation, public members, and some board members will be meeting monthly to discuss the big picture of the justice system in Macon County; recommendations will be made to the county board and each other regarding the direction of justice, specifically programs which are needed and how to expend money. There may be a recommendation in the future that programs change in the probation department. The plan being distributed today is based on maintaining what probation currently has and not eliminating any current programs and not increasing probation staff. On the proposed resolution distributed, Judge Greanias said he changed a number regarding corporate fund since there was an error in the 05 amount being picked up instead of the 06 amount, but it does not change anything in his cover letter.

The revenue in 2005 was \$20,137 more than anticipated and expenditures were down by \$62,709 resulting in an excess of \$82,846 in 2005. To fund the wage increase for the personnel line this year, approximately \$39,000 is needed for all probation staff except Don Meyer. As discussed with the union, layoffs may be necessary since there is not enough money to pay all the current staff. While staff and budgets for most offices in the criminal justice system are close to where they were when this started, that is not true for probation; staff is down by 35 and budget is down 41% from the highest in this current year. Judge Greanias proposes the board pass a resolution to transfer \$39,000 from operations to the personnel line to fund the wage increases for this year with no change in funding from the general corporate fund which will remain the same from the budget passed, \$963,668. A sample resolution was distributed showing an increase in the personnel funding from the present amount, \$1,351,425, to \$1,390,425 which is adding the \$39,000 in. Judge Greanias is requesting Finance to recommend this resolution to the county board at the January 12 meeting. Judge Greanias also proposes looking ahead to plan for the future especially since probation has to make contracts for services and has to plan for staff.

The concern is we have taken care of the problem for this year by the board moving money up, but in 07 we will still be short the \$39,000 along with another 3% increase on top of that so it will be around \$81,000 more in personnel costs in 07 than in 05. He would like to see the line held in the contribution for the general corporate fund even in 2007, and is asking that decisions be made now which will allow this to be done in 2007. Relying on the auditor's records for the most recent information, Judge Greanias said there is \$256,452 and \$200,000 of that was pledged in 2005 as a contribution to pay the bills in 2005, but the entirety of the \$200,000 in to pay the bills last year. It was pledged and if that is the board's decision, Judge Greanias said that is what they will do meaning the entire savings would go to the general corporate fund or LEST since both contributed. The contribution from the corporate fund and LEST in 2005 is essentially the same as 2006 and 2007, so contributions from sources other than the state and probation service fund, the county's contribution would be the same in 2005, 2006, and 2007. That can only happen if we are careful about what we do with the \$82,846 that probation is really under budget. If the board suggests all of it should go to the general fund, it would consume everything in the probation service fund budget other than \$56,000.

The probation service fund comes from fees charged to persons on probation, generally \$25 monthly, and in the past few about \$200,000 has been received from that so it can be replenished at around \$200,000 per year. That account was at a high of over \$700,000 in 2000 but has been used to help pay probation expenses. Since we know there will be \$56,452 to carry over and use next year, no approval is required on this since the money will be there ready to be expended in 2007. Hopefully, another \$200,000 will be earned this year which will be available to contribute in 07 so probation can make the same contribution in 07 which is the same as 05 and 06. In 07, if more corporate fund money is not going to be put in, probation will need around \$81,000 more for personnel than last year, \$39,000 this year and \$42,000 next year because of the 3% increase for staff. Since \$56,452 extra will be available next year pledged but not spent this year, Judge Greanias is suggesting at a minimum to be held back from this excess \$26,394. When the treasurer and Chief Judge Shonkwiler get together to put the money in for 05, instead of the court putting in \$200,000 we put in \$26,000 less so when combined with the \$57,000 we have, in 2007 we will have the additional \$81,000 needed to fund the wage increases. Judge Greanias said this is the plan for 2007 and in other words, the probation service fee is being used to make up the difference so that we do not have to put more money in from general corporate fund; while there is no such thing as carrying under budget forward in a legal or technical sense and if you do not use the money it is basically lost, money from special funds if it is not used to pay bills is not lost but stays in the fund which is why we can carry that forward. No action needs to be taken on this now but it would be helpful for have the county board's direction for probation, Judge Greanias, the auditor, and the treasurer about whether this is approved so that in 07 the board is not searching for more general corporate fund money to fund probation. While the 07 budget cannot be adopted now, the proposed resolution establishes a goal to appropriate \$1,432,507 for probation personnel

in 07 which is the 05 figure plus the \$39,000 from this year plus the extra \$41,000 or \$42,000 to fund two years worth of pay increases.

To make it absolutely clear in the proposed board resolution, Judge Greanias has indicated the board's action would be without increasing the general corporate fund. If the Justice Council recommends that they should be allocating money for the criminal justice system and spending the money in a different way, it would be up to the board.

Looking to 2008, instead of holding back \$26,000, the board can hold back all from the probation service fee and leave it on deposit so there would be an extra \$48,000 in 08 to fund the probation department, and maybe by that time the board may need to increase the general fund. Judge Greanias said if the board wants to reserve the money for probation and wants to reduce the amount going in from general corporate, this is a way to do it. There is nothing in the board resolution about 2008 or about withholding the \$26,000 and Judge Greanias leaves that up to our legal counsel. There is \$200,000 pledged from LEST for 05, \$768,000 from general corporate fund

and \$200,000 from the probation department which is \$82,000 more than needed. Judge Greanias asked how the board wants to allocate the benefit of the unused portion.

Jay Dunn asked about the difference between the first and second handouts as far as the jump from \$761,000 to \$963,000. Judge Greanias the corporate fund figure he picked up was the 05 figure, but there was actually another \$200,000 from LEST which was a county contribution; in the 06 budget, the extra \$200,000 came from the general corporate fund and not LEST. Chair Sampson said in the latest budget, they pulled probation out of LEST and put them back under general fund and it was around \$200,000. Judge Greanias said it is fair to say the budget from 05 and 06 as they now stand are essentially the same and in 05 the only difference was \$200,000 came from LEST and in 06 it does not since \$200,000 comes from general corporate.

Chair Sampson asked Randy Waks if there should be a resolution directing the treasurer to apply that \$26,394; Randy Waks said he did not think so. Based on this discussion, Amy Stockwell said she was going to book it as holding back the \$26,394; \$200,000 was promised and it will be booked at \$176,000. Bill Oliver asked Amy Stockwell if she had confirmed the numbers; Amy said they have not spent what was appropriated to them so they are reducing the contribution made out of fees so the fee money which was promised will not be given since they did not spend the money but it remains in fund 84 for future transfers into general fund. Chair Sampson said it was actually never part of the general fund but was promised from the probation fee and has not been delivered.

Amy Stockwell said correct since she is in the process of the year end entry but the 05 budget includes a promise of \$200,000 and in the last years she has been here, the judges and Mr. Meyer have been the last entry of the whole process for that fee coming across. Amy said they are at the beginning of the 05 closing so she does not know what the exact number is, but she can say with 100% certainty that revenue will exceed expense in the general fund and she is hoping we will be able to make another payment on the debt. Bill Oliver said it had been mentioned previously that

if the board did not allocate a certain amount, money would be lost from the state; Judge Greanias said if arrangements are not made this year for more money to pay salaries, people will have to be laid off since there is not enough money to pay them.

As they are laid off, probation loses reimbursement from the state. On an average, the state pays 65% of grant in aid positions so when we lay a person off, the state is no longer obligated to send money for that person; we save our 35% but will be losing on the revenue line. Don Meyer said there has not been any change in response to a question from Bill Oliver, and layoff notices have gone out and will take effect February 9 barring this board taking some kind of action to forestall that. Amy Stockwell said Bill Oliver was really asking about the fee proposal which affected the circuit clerk automation fund, and Judge Greanias said this has nothing to do with the automation fund. Judge Greanias said what is known for sure is what has been promised to probation through the end of the state's fiscal year, the end of June; Don Meyer has talked with the people in Springfield and he has reasonable assurances that next year we will get the same amount as this year. Steve Grimm said a large payment was received from the state in late November or December and they are two months behind now. Jay Dunn asked what normally happens to the money when a department sets a budget and the full amount is not spent. Amy Stockwell said it depends on the fund but it falls back to fund balance so if the supervisor of assessments does not spend her full appropriation, it would fall to fund balance in the general fund which has been in negative territory but is now moving in positive territory. Motion made by Jay Dunn to send the proposed resolution to the full board and seconded by Dave Drobisch. Jay Dunn said the reason he will vote for it is the communication breakdown regarding whether or not to put the salary increases in probation's budget even though he has been opposed to opening up the budget once it was set and approved. Motion carried unanimously.

County Clerk

Steve Bean said part of the reason Jerry Andrews was here is that he originally was going to discuss moving vital records to the Health Department which would have resulted in loss of \$42,000 in funds which we got for automation and another +\$100,000 of other general funds. He received a call from the state board of elections which may take care of part of his budget problems. Steve said originally he thought he would get around \$400,000 from the state, but he has been told he will get roughly \$465,000 in hardware support, etc. along with additional funds for a total of \$800,000

in HAVA funds which the state has been sitting on for the past 3 years collecting interest. Steve is requesting an amendment to the HAVA budget increasing the amount to \$800,000 as far as revenue coming in. Steve said there is a 7XXXX line for materials/supplies and he wants \$200,000 put in that, \$500,000 in the equipment line 940 for expenditures, and create a personnel line at \$100,000.

All the money is supposed to be used for election related equipment. The original agreement approved with Fidar of \$13,000 monthly would be lowered to \$8,745 if we do not just use those three elections. If the consolidated primary is added in, the monthly payment would be \$10,745.38.

Steve said it will cost us to do the encoding in-house so the machines are locked and loaded by us.

He has spoken with the building commission about safety issues since Mr. Grimm has a vault where all these machines are stored, so half of 104 will have a chain link in between with a key maintained by the county clerk's office and an emergency key for the building commission.

The money received will allow for a mass mailing of voter registration cards at a cost of \$30,000 which has not been done since 2001 and he will be able to transfer some money around enabling him to keep the employee he would have lost. Also, students can be hired to go out and work the precincts and buying some new booths. If money is left over at the end of the year, Steve will look at using that to give back to help the county as far as money borrowed for election equipment a couple of years ago.

For purposes of business, Chair Sampson said two different motions will be needed. Motion made by Bill Oliver to forward the proposed amendment of the county clerk's election equipment fund budget shown on the sheet distributed with 121 at the bottom to the full county board, and seconded by Jay Dunn. Steve Bean said he would have to end up using some of this to pay regular personnel and expenditures will be done out of there. Amy said the money should stay where it comes in so if this is a contractual arrangement with the state, revenue and expenditures should both be in fund 96. Steve Bean said then they would have the same problem Judge Greanias discussed since the 3% was not in his budget for increases this year, and he is short around \$20,000 in payroll. Motion carried unanimously.

Steve Bean said he needed to know if we are going to take the gamble we are not going to have a consolidated primary or raise it to \$10,745.38 since there is extra money; if we do not pay it this year, all of the consolidated primary expense will have to come out next year. At \$10,745.38, Steve said it spreads the cost of the 07 elections out with the 06 ones which gives us an easier stream; if we do not do this, it will raise the bill by instead of paying \$24,000 this year, we will pay \$48,000 next year more. What Steve is trying to say is we will already have a hit from the personnel costs and at least \$24,000 in election costs. Jay Dunn said Steve is figuring on us probably having that cost, and Steve Bean said the only time we have not had a consolidated primary was the first year he was in office and with the mayor running for re-election and three council seats, there will be more than 6 candidates for city council and he does not know about the mayoral candidates. Since the county clerks took over the elections in 1981, there has been two of those odd years where we did not have primaries. Jay Dunn said rather than paying now, Steve could take the money knowing we are going to spend it next year and draw interest. Steve said he did not know if we were going to draw interest and he does not know when it comes time for the grant money since they have not been told how quickly they have to spend it; since we are actually going to have a savings from the contract we paid for, still we will save roughly \$24,000 off that contract and some will get eaten up because of some things which have to be done internally so the \$24,000 will not be a true savings but actually \$10,000 or \$15,000. Chair Sampson asked Steve Bean what the monthly payment would be on the election proposal summary distributed tonight be if we allow for the consolidated primary; Steve said it would be up around \$2000 or \$10,745.38, and it is up to the committee on what they want to do. Motion made by Dave Drobisch to amend

the Fidler agreement with the \$10,745.38 monthly payment, seconded by Bill Oliver, and motion carried unanimously.

NEW BUSINESS

Chair Sampson reminded the committee that by May of 2006, the committee needs to take action on salaries for the county clerk, treasurer, and sheriff; he received a clipping out of the Springfield paper about what Sangamon County did but does not have it here tonight. He does not anticipate any action until May, but feels we should be thinking about it. One thing which has come up in the past is the sheriff having two salaries, sheriff and public safety director which was created; personally, Chair Sampson feels in terms of bookkeeping the two should be combined and would be the sheriff's salary. Chair Sampson said he recalls no officeholder has had an increase since the cycle elected in 2002; we did not give an increase in 2002 or to the cycle in 2004 and they have been on a flat salary since then. While it may be chosen to do this again or to give a yearly increase over the life of the term, we need to be thinking about this. Any ideas or suggestions can be shared with Chair Sampson who will get them out to the rest of the committee.

Treasurer

Steve Grimm discussed two items which were not on the Finance Agenda since he did not have enough time. He distributed a letter and resolution on the Macon County Delinquent Tax Agent. The proposal is to raise the fee per parcel on the auctions from \$450 to \$600, and Steve said it is a good proposal and will bring more money into the general fund and they will realize more money out of it. If someone wants a parcel, they will pay \$600. This is not on the agenda, but he is requesting it be treated as new business on the board agenda for January 12. There were no objections, so Chair Sampson will have it under new business at the January 12 board meeting.

Steve said \$10,231.60 was received from the trustee for delinquent properties which were finally sold, and a proposed resolution was distributed. He is also asking that it be placed on the board agenda for January 12. There were no objections, so Chair Sampson will have it under new business at the January 12 board meeting.

Steve has three CDs out for bid, 6 months, safety tax, a new one for recorder automation for \$100,000, and the 911 Board which does not pertain to this committee. He is in the process of getting bids out for the 2005 tax bills and the color this year is orange and blue. Bill Oliver asked if

the 911 Board takes in more than needed to run it, and Captain Bright said no. As chairman of that board, Captain Bright said with the projection cost of operating the 911 system and the technology which they need to buy in the next 10 years, every dime collected will be expended. It may take in more than what is used in a year's time, and it is invested for the future.

Auditor

Amy Stockwell requested approval of two dues, one for the annual IL Association of County Engineers for \$1,218 for Mr. Bird and one for the IL Probation & Court Services Association

for 38 individuals at \$40 each. Committee agreed both are approved for payment.

Regarding E911, Amy said they are considered a component unit of Macon County Government and reported as part of our comprehensive financial statements but funds are not appropriated by the Macon County Board.

The Building Commission now receives money from Macon County taxpayers via our tax levy and with the new bond issue, Amy said they are going to a unified approach so there is one fund on the county side and one lease, and the building commission actually keeps their accounts by building.

For fund accounting purposes, one fund will be considered. They have accumulated surpluses which will be used for O&M in the coming year, but there is an additional surplus they have advised is available of \$212,731.69 and the board needs to take action to request it be applied to the

12-1-06 payment which will allow the levy to be reduced when published this March. Chair Sampson said this should be put on the Finance agenda for the 31st since he is not sure if discussion will be about abating it rather than lowering the levy.

Steve Grimm asked to give a status on the general fund which today is \$2,134,000, and tomorrow will be \$1,379,000 due to payroll and insurance.

NEXT MEETING

The next meeting is scheduled for Tuesday, January 31, 2006, at 4:15 p.m.

ADJOURNMENT

Motion made by Dave Drobisch to adjourn, seconded by Bill Oliver, and motion carried unanimously.

Minutes submitted by Linda Koger
Macon County Board Office